

CITY OF NORFOLK, VIRGINIA

Exhibit F-1

**Internal Service Funds
Combining Balance Sheet
June 30, 2001**

with comparative totals for 2000

	<u>Storehouse</u>	<u>Fleet Management</u>	<u>Totals</u>	
			<u>2001</u>	<u>2000</u>
ASSETS				
Current:				
Cash and cash equivalents	\$ 4,198	\$ 2,093,789	\$ 2,097,987	\$ 1,825,833
Accounts receivable, net of allowances for uncollectible accounts	454	102,829	103,283	155,235
Due from other funds	-	-	-	21,522
Inventories	1,286,101	401,523	1,687,624	1,580,117
Total current assets	<u>1,290,753</u>	<u>2,598,141</u>	<u>3,888,894</u>	<u>3,582,707</u>
Fixed assets, net of accumulated depreciation	32,980	7,561,504	7,594,484	7,793,027
Total assets	<u>\$ 1,323,733</u>	<u>\$ 10,159,645</u>	<u>\$ 11,483,378</u>	<u>\$ 11,375,734</u>
LIABILITIES				
Current:				
Vouchers payable	\$ 63,833	\$ 211,581	\$ 275,414	\$ 428,722
Due to other funds	-	511	511	-
Other liabilities	39,761	518,874	558,635	513,405
Total current liabilities	<u>103,594</u>	<u>730,966</u>	<u>834,560</u>	<u>942,127</u>
FUND EQUITY				
Contributed capital	800,558	10,664,123	11,464,681	11,464,681
Retained earnings (deficit)	419,581	(1,235,444)	(815,863)	(1,031,074)
Total fund equity	<u>1,220,139</u>	<u>9,428,679</u>	<u>10,648,818</u>	<u>10,433,607</u>
Total liabilities and fund equity	<u>\$ 1,323,733</u>	<u>\$ 10,159,645</u>	<u>\$ 11,483,378</u>	<u>\$ 11,375,734</u>

CITY OF NORFOLK, VIRGINIA

Exhibit F-2

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Retained Earnings**For the Year Ended June 30, 2001**

with comparative totals for 2000

	Storehouse	Fleet Management	Totals	
			2001	2000
Operating revenue:				
Net charges for services	\$ 2,384,280	\$ 6,585,911	\$ 8,970,191	\$ 8,768,252
Miscellaneous	869	-	869	1,774
Total operating revenue	<u>2,385,149</u>	<u>6,585,911</u>	<u>8,971,060</u>	<u>8,770,026</u>
Operating expenses:				
Personal services	374,021	2,405,669	2,779,690	2,711,062
Cost of goods sold	1,893,666	3,351,798	5,245,464	5,741,012
Plant operations	7,654	186,404	194,058	184,270
Depreciation	4,188	294,478	298,666	328,153
Other	63,683	198,384	262,067	269,928
Total operating expenses	<u>2,343,212</u>	<u>6,436,733</u>	<u>8,779,945</u>	<u>9,234,425</u>
Operating income (loss)	<u>41,937</u>	<u>149,178</u>	<u>191,115</u>	<u>(464,399)</u>
Non-operating revenue (expenses):				
Interest income	4,412	70,317	74,729	108,767
Gain/(loss) on disposal of fixed assets	-	(50,633)	(50,633)	(52,946)
Total non-operating revenue	<u>4,412</u>	<u>19,684</u>	<u>24,096</u>	<u>55,821</u>
Net income (loss)	<u>46,349</u>	<u>168,862</u>	<u>215,211</u>	<u>(408,578)</u>
Retained earnings (deficit):				
Beginning of year	373,232	(1,404,306)	(1,031,074)	(622,496)
End of year	<u>\$ 419,581</u>	<u>\$ (1,235,444)</u>	<u>\$ (815,863)</u>	<u>\$ (1,031,074)</u>

CITY OF NORFOLK, VIRGINIA
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2001
with comparative totals for 2000

Exhibit F-3

	<u>Storehouse</u>	<u>Fleet Management</u>	<u>Totals</u>	
			<u>2001</u>	<u>2000</u>
Cash flows from operating activities:				
Operating income (loss)	\$ 41,937	\$ 149,178	\$ 191,115	\$ (464,399)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	4,187	294,479	298,666	328,153
Provision for bad debts, net of recoveries	-	-	-	48,402
Changes in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	(274)	52,226	51,952	(124,831)
Due from other funds	-	21,522	21,522	(21,522)
Inventories	(135,638)	28,132	(107,506)	(24,331)
Increase (decrease) in liabilities:				
Vouchers payable	(33,380)	(119,928)	(153,308)	308,117
Due to other funds	-	511	511	(2,517)
Other liabilities	(10,386)	56,477	46,091	199,286
Net cash provided by (used in) operating activities	<u>(133,554)</u>	<u>482,597</u>	<u>349,043</u>	<u>246,358</u>
Cash flows from capital and related financing activities:				
Proceeds from sale of fixed assets	-	(44,891)	(44,891)	-
Acquisition of property, plant and equipment	-	(106,727)	(106,727)	(226,887)
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>(151,618)</u>	<u>(151,618)</u>	<u>(226,887)</u>
Cash flows provided by investing activities:				
Interest on investments	<u>4,412</u>	<u>70,317</u>	<u>74,729</u>	<u>108,767</u>
Increase (decrease) in cash and cash equivalents	(129,142)	401,296	272,154	128,238
Cash and cash equivalents, beginning of year	<u>133,340</u>	<u>1,692,493</u>	<u>1,825,833</u>	<u>1,697,595</u>
Cash and cash equivalents, end of year	<u>\$ 4,198</u>	<u>\$ 2,093,789</u>	<u>\$ 2,097,987</u>	<u>\$ 1,825,833</u>

Non-cash investing, capital and financing activities:

Write-off of impaired equipment	\$ 3,057	\$ 53,899	\$ 56,956	\$ 52,946
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